



LARRY D. RIPLEY
Senior Attorney

October 18, 2001

HAND DELIVERED

Ms. Jean D. Jewell, Secretary
Idaho Public Utilities Commission
472 West Washington Street
P. O. Box 83720
Boise, Idaho 83720-0074

Re: Case No. IPC-E-01-_____
Application For Order Approving Costs To Be Included
in 2002/2003 PCA Year for Irrigation Load Reduction
Program and Astaris Load Reduction Agreement

Dear Ms. Jewell:

Please find enclosed for filing an original and seven (7) copies of the Company's Application for an order approving the costs to be included in the 2002/2003 PCA year for the Irrigation Load Reduction Program and the Astaris Load Reduction Agreement. Also enclosed are nine (9) copies of the testimony and exhibits of Ms. Maggie Brilz and Mr. Darrell R. Tomlinson, with one copy designated as the Reporter's Copy. Once a court reporter has been retained, please advise me and I will forward the testimony to the court reporter via e-mail.

Copies of the Company's Application, testimony and exhibits have been mailed to potentially interested parties as per the attached Certificate of Mailing.

I would appreciate it if you would return a stamped copy of this transmittal letter for our files.

Very truly yours,

Larry D. Ripley

LDR:jb
Enclosures

CERTIFICATE OF MAILING

I HEREBY CERTIFY that on this 18th day of October, 2001, I mailed a true and correct copy of IDAHO POWER COMPANY'S APPLICATION and the TESTIMONY AND EXHIBITS OF MAGGIE BRILZ AND DARRELL R. TOMLINSON in Case No. IPC-E-01-___ to the following named individuals:

John Hammond, Deputy Atty. General	_____	Hand Delivered
Idaho Public Utilities Commission	_____	U.S. Mail
472 West Washington Street	_____	Overnight Mail
P. O. Box 83720	_____	FAX
Boise, Idaho 83720-0074		

Lisa D. Nordstrom, Deputy Atty. General	_____	Hand Delivered
Idaho Public Utilities Commission	_____	U.S. Mail
472 West Washington Street	_____	Overnight Mail
P. O. Box 83720	_____	FAX
Boise, Idaho 83720-0074		

Donald L. Howell, Deputy Atty. General	_____	Hand Delivered
Idaho Public Utilities Commission	_____	U.S. Mail
472 West Washington Street	_____	Overnight Mail
P. O. Box 83720	_____	FAX
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Conley Ward	_____	Hand Delivered
Givens Pursley LLP	_____	U.S. Mail
277 North 6th Street, Suite 200	_____	Overnight Mail
P.O. Box 2720	_____	FAX
Boise, Idaho 83701		

Alan W. Seder	_____	Hand Delivered
Astaris LLC	_____	U.S. Mail
622 Emerson Road, 5th Floor	_____	Overnight Mail
St. Louis, Missouri 63141	_____	FAX

Randall C. Budge	_____	Hand Delivered
Racine, Olson, Nye, Budge & Bailey	_____	U.S. Mail
P.O. Box 1391	_____	Overnight Mail
Pocatello, Idaho 83204-1391	_____	FAX

Anthony Yankel	_____	Hand Delivered
29814 Lake Road	_____	U.S. Mail
Bay Village, Ohio 44140	_____	Overnight Mail
	_____	FAX

Peter J. Richardson
Richardson & O'Leary
99 E. State Street, Suite 200
P.O. Box 1849
Eagle, Idaho 83616

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Stuart Trippel
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Richard E. Malmgren, Esq.
Micron Technology, Inc.
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Boise, Idaho 83707-0006

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LARRY D. RIPLEY

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Idaho Power Company
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Attorney for Idaho Power Company

Express Mail Address

1221 West Idaho Street
Boise, Idaho 83702

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION)	
OF IDAHO POWER COMPANY FOR AN)	CASE NO. IPC-E-01-____
ORDER APPROVING THE COSTS TO BE)	
INCLUDED IN THE 2002/2003 PCA YEAR)	APPLICATION
FOR THE IRRIGATION LOAD REDUCTION)	
PROGRAM AND ASTARIS LOAD)	
REDUCTION AGREEMENT)	
_____)	

Application is hereby made to the Idaho Public Utilities Commission (the "Commission") by Idaho Power Company ("Idaho Power" or "the Company") for an order approving the costs to be included in the 2002/2003 PCA year for the Irrigation Load Reduction Program and Astaris Load Reduction Agreement.

In support of this Application, Idaho Power represents as follows:

I.

Idaho Power is an Idaho Corporation, whose principal place of business is 1221 West Idaho Street, Boise, Idaho 83702.

II.

Idaho Power operates a public utility supplying electric service in Southern Idaho and Eastern Oregon. Idaho Power is subject to the jurisdiction of this Commission in Idaho and to the jurisdiction of the Oregon Public Utility Commission in Oregon. Idaho Power is also subject to the jurisdiction of the Federal Energy Regulatory Commission (the "FERC").

III.

On March 29, 1993, by Order No. 24806 issued in Case No. IPC-E-92-25, the Commission approved the implementation of an annual Power Cost Adjustment procedure.

IV.

On May 25, 2001, by Order No. 28699, the Commission issued its final order approving the Irrigation Load Reduction Program, which authorized payments for irrigation customers that committed to reduce energy consumption between March 1, 2001, and November 30, 2001, by at least 100,000 kWh. A copy of Order No. 28699 is included with this Application as Attachment 1.

V.

In Order No. 28699 the Commission found that the direct costs and reduced revenue impacts of the Irrigation Load Reduction Program should be treated as a purchased power expense in the Company's Power Cost Adjustment (PCA) mechanism.

VI.

In Order No. 28699 the Commission also stated on Page 12 of that order that “Idaho Power and the parties shall develop and present a proposal to the Commission recommending a procedure to calculate the amount of revenue impact that should be passed through the Company’s PCA mechanism.”

VII.

A meeting was held with interested parties on September 27, 2001, at Idaho Power’s Corporate Headquarters during which the Company’s proposed methodology for computing the reduced revenue was discussed.

VIII.

The reduced revenue methodology calculation includes three components: The energy component addresses the revenue impact associated with the reduction in billed kWh as a result of the Irrigation Load Reduction Program. The demand component addresses the revenue impact associated with the reduction in billed kW as a result of the Program. The load reduction offset component reverses the load change adjustment to power supply expenses included in the PCA methodology.

IX.

As a part of this Application, the Company is requesting that the Commission approve the methodology for the calculation of the reduced revenue as set forth in the testimony of Maggie Brilz, which testimony is attached to this Application and referred to as if set out in full herein.

X.

The Idaho jurisdictional portion of the Irrigation Load Reduction Program costs to be included in the PCA computation through September 2001 is \$58,592,015.96 including interest.

XI.

Commission Order No. 28695, a copy of which is included with this Application as Attachment 2, approved the inclusion of Astaris Load Reduction Agreement payments in the Company's PCA. The payments to Astaris through September 2001 that should be included in the PCA, with interest, are \$42,212,092.34.

XII.

Accordingly, the total amount of the Irrigation Load Reduction Program and the Astaris Load Reduction Agreement payments through September 2001 to be included in the 2002/2003 PCA is \$100,804,108.30.

XIII.

As the Company books additional costs to the PCA for the Irrigation Load Reduction Program and the Astaris Load Reduction Agreement, the Company requests authorization to provide updated costs so that the Commission can issue an order authorizing the total amount to be deferred to the 2002/2003 PCA for the year 2001. The Company, in making this request, recognizes that it may not be practical for the Commission to issue an order approving the December deferrals before the Company closes its financial records for the year 2001 in January 2002.

XIV.

The Company will file a second application requesting an order approving the amounts deferred for the Irrigation Load Reduction Program and the Astaris Load Reduction Agreement to be included in the 2002/2003 PCA year that will not be included in the Commission's order issued in this proceeding.

XV.

Simultaneous with the filing of this Application, the Company has filed its direct case consisting of the testimony and exhibits of witnesses Maggie Brilz and Darrell R. Tomlinson. The Company stands ready for immediate consideration of this Application, if it is the Commission's determination that a hearing should be held.

XVI.

Idaho Power respectfully requests that this Application be processed under RP 201, et al, allowing for consideration of issues to be processed under Modified Procedure, i.e., by written submission rather than by an evidentiary hearing.

XVII.

Communications with reference to this Application should be sent to the following:

Larry D. Ripley
Senior Attorney
Idaho Power Company
P.O. Box 70
Boise, ID 83707

Maggie Brilz
Director of Pricing
Idaho Power Company
P.O. Box 70
Boise, ID 83707

WHEREFORE, Idaho Power Company respectfully requests (1) that the Commission issue its order approving the methodology for the calculation of the reduced revenue as a result of the Irrigation Load Reduction Program, and (2) for an order

approving the costs to be included in the 2002/2003 PCA year for the Irrigation Load Reduction Program and the Astaris Load Reduction Agreement in the amount of \$100,804,108.30.

The Company further requests authority to supplement its filing in this proceeding as additional costs are incurred in the year 2001 for the Irrigation Load Reduction Program and the Astaris Load Reduction Agreement.

DATED at Boise, Idaho, this 18th day of October, 2001.

LARRY D. RIPLEY
Attorney for Idaho Power Company